Hello Micki,

After reviewing SBC's responses to our data request regarding SBC's LNP Recovery, we had more questions, which I have listed below:

- 1. Are the values for the estimated revenue in constant dollars? If so, which base year and inflation factors were used?
- 2. How were the values for all of the estimated revenues calculated? Show these calculations. What does the estimated revenue consist of aside from the LNP surcharge? Aside from the LNP charge, list the elements and the corresponding values of these elements that made up the estimated revenue for each time period listed in the worksheet. How many actual access lines are attributed to local exchange customers, to line side access service customers, and to resale customers for each time period listed in the worksheet? What were the actual revenues collected for local exchange customers, line side access service customers, and resale customers each time period listed in the worksheet?
- 3. Why are the numbers of access lines not in whole values?
- 4. How did SBC calculate the \$37 million of shortfall due to pre-existing contracts and billing errors? Provide documentation of the formulas, computations, and elements that made up the calculation of a \$37 million shortfall. Explain why SBC did not restructure the pre-existing contracts to account for the LNP surcharge. Were there any limitations that prevented SBC from restructuring those pre-existing contracts? If so, provide documentation for these limitations.
- 5. Provide a complete copy of SBC's LNP Recovery Proposal submitted to the FCC in which the FCC approved the estimated LNP costs of \$1.275 billion.
- 6. Provide a complete copy of the FCC's response to SBC's LNP Recovery Proposal of estimated LNP costs of \$1.275 billion.

Please have the responses to these questions on or before April 1, 2005. If you need clarification on any of the questions, please let me know. Thank you very much.

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